

Press release: 34,000 households previously capped have moved into work

Since the introduction of the cap in April 2013, 150,000 households have had their benefits capped. Around 81,000 of these are no longer capped, with 34,000 households having moved into work.

Work and Pensions Secretary David Gauke said:

It is right that people who are out of work are faced with the same choices as those who are in work and these figures show that the benefit cap has been a real success. But behind these figures are thousands of people who are now better off in work and enjoying the benefits of a regular wage.

With record levels of employment and over three quarters of a million vacancies at any one time, even more people have the opportunity to change their lives for the better.

The benefit cap incentivises work, including part-time work, as anyone eligible for Working Tax Credit (or the equivalent under Universal Credit) is exempt.

The benefit cap is set at £20,000 a year outside London and £23,000 in Greater London to reflect higher rent costs.

Anyone working and receiving Working Tax Credit is exempt from the cap, as are households where someone receives Disability Living Allowance (DLA), Personal Independence Payment (PIP), or the support component of Employment and Support Allowance (ESA). Those claiming Carer's Allowance or Guardian's Allowance are exempt from the cap.

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